

APPROVED: Meeting No. 41-87

ATTEST: *Helen M. Hengstler*

MAYOR AND COUNCIL

ROCKVILLE, MARYLAND

MEETING NO. 22-87

May 6, 1987

The Mayor and Council of Rockville, Maryland, convened in General Session in the Council Chamber, Rockville City Hall, Maryland at Vinson Street, Rockville, Maryland, on Wednesday, May 6, 1987, at 8:00 p.m.

PRESENT

Mayor Steven Van Grack

Councilman Steve Abrams

Councilman Douglas Duncan

Councilman Peter Hartogensis

Councilman James Coyle

The Mayor in the Chair.

In attendance: City Manager Richard V. Robinson, City Attorney Paul Glasgow, Acting Assistant City Clerk Karen Hughes.

Re: Adoption of Ordinance to Authorize the issuance and sale, upon its full faith and credit, of its serial maturity general obligation, fully registered bonds in aggregate principal amount not to exceed Twenty Million Dollars (\$20,000,000), to be designated as "The Mayor and Council of Rockville General Improvement and Refunding Bonds of 1987"; said bonds to be issued and sold for the public purpose of (i) refunding a portion of the outstanding The Mayor and Council of Rockville General Improvement Bonds of 1984, Series A, (ii) refunding a portion of the outstanding The Mayor and Council of Rockville General Improvement Bonds of 1984, Series B, (iii) refunding a portion of the outstanding The Mayor and Council of Rockville General Improvement Bonds of 1984, Series C, each such series dated March 15, 1984, (iv) financing certain municipal capital improvements described in this Ordinance, and (v) paying the costs incurred by The Mayor and Council of Rockville (the "City") in connection with the issuance, sale and delivery of said bonds; providing that the General Improvement and Refunding Bonds of 1987 shall consist of two series, namely, Series A aggregating not to exceed

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Five Million Dollars (\$5,000,000) and Series B aggregating not to exceed Fifteen Million Dollars (\$15,000,000); prescribing the form the tenor of such bonds and determining other matters relating to the issuance and sale thereof; determining that the best interests of the City will be served by selling said bonds at a private (negotiated) sale; determining all other details in connection with said sale and authorizing the execution of a contract of purchase; approving and authorizing the execution and delivery of an escrow deposit agreement under which there shall be established and maintained an escrow fund for the purpose of paying as and when due and upon redemption a portion of the City's outstanding General Improvement Bonds of 1984, Series A, B, and C; providing for the disbursement of the proceeds of said bonds; providing that the principal of and interest on the General Improvement and Refunding Bonds of 1987, Series A, shall be payable in the first instance from certain revenues and receipts from designated assessments and charges; providing for the levy and collection of assessments, charges other impositions, and all ad valorem taxes necessary to provide for the payment of the interest on, and the principal of, said bonds as they become due, such taxes to be levied upon all property subject to assessment for unlimited municipal taxation within the corporate limits of the City of Rockville; providing that the proceeds of said bonds, or any moneys which be deemed to be proceeds, will not be used in a manner which would cause said bonds to be arbitrage bonds and making certain other covenants to assure the exclusion of interest on said bonds from gross income for federal income tax purposes; appointing a paying agent and registrar for said bonds; and generally providing for the issuance, sale and delivery of all said bonds.

Ordinance 5-87

On motion of Councilman Duncan, duly seconded, and unanimously passed, the amendments made to the introduced Ordinance were approved.

On motion of Councilman Duncan, duly seconded, and unanimously passed, Ordinance No. 5-87, the full text of which can be found in Ordinance Book No. 13 of the Mayor and Council, to authorize the sale of bonds was adopted by the Mayor and Council amended.

Re: Executive Session

On request of the City Attorney, Mayor Van Grack moved for Executive Session, duly seconded and unanimously passed, the meeting was closed for executive session in order to discuss personnel matters.

Re: Adjournment

There being no further business to come before the Mayor and council in executive session, the meeting was adjourned at 8:50 p.m. to convene again at the general session on Monday, May 11, 1987, at 8:00 p.m. or at the call of the Mayor.